

## Old Age, Disability, Death

First law: 1953.

Current law: 1975.

Type of program: Social insurance system.

**Exchange rate:** U.S.\$1.00 equals 1,750 rials.

### Coverage

Employed persons in specific occupations and geographical areas. Special pension systems for public employees and armed forces. Self-employed may insure voluntarily within the stated minimum and maximum wage limits.

### Source of Funds

**Insured person:** 7% of earnings.

**Employer:** 20% of payroll plus 3% for unemployment insurance. (First 5 employees in small industrial and technical workshops exempted).

**Government:** 3% of payroll. (Also pays employers' contribution for the first 5 employees in small industrial and technical workshops). Maximum earnings for contribution and benefit purposes (salaried employees only): 1,200,000 rials a month. Minimum: 301,530 rials (April 1997).

Above contributions also finance medical care, cash sickness, maternity, and work-injury benefits.

### Qualifying Conditions

**Old-age pension:** Age 60 (men) or 55 (women); age 50 for men and age 45 for women with 20-25 years of work in unhealthy regions or occupations, or at any age with total 30 years of work. Minimum, 10 years of contribution. Retirement from insured employment.

**Disability pension:** Total disability (2/3 loss of earning capacity) or partial disability (1/3 loss of earning capacity). 1 year of contribution in last 10 years, of which 90 days should be in the year prior to onset of disability.

**Survivor pension:** Deceased was pensioner at death, or had 1 year of contribution in last 10 years. Provided that 90 days of contribution have been paid in the last year prior to death. If caused by work-related accident, survivor pension will be paid without any qualifying conditions.

### Old-Age Benefits

**Old-age pension:** 1/35<sup>th</sup> of average earnings during last 24 months times number of years of contribution.

Minimum pension: 50% of earnings but not less than 301,530 rials a month (equal to the minimum wage of unskilled laborers), plus coupons for food. Spouse allowance: Male married pensioner receives 50,400 rials.

Maximum pension, 100% of earnings up to 1,200,000 rials a month.

*Note:* If the average earnings during the last two years of employment are above 326,700 rials a month, 2/3 of the difference up to 1,200,000 rials will be added to the 326,700 rials.

### Permanent Disability Benefits

**Disability pension:** 3.3% of average earnings during last 2 years times number of years of contribution, if totally disabled.

Minimum pension: 50% of earnings (60% with dependents), but not less than 301,530 rials a month (equal to the minimum wage of unskilled laborers).

Spouse allowance: Male married pensioner receives 50,400 rials.

Maximum pension, 100% of earnings up to 1,200,000 rials a month.

*Note:* If the average earnings during the last two years of employment are above 326,700 rials a month, 2/3 of the difference up to 1,200,000 rials will be added to the 326,700 rials.

Partial disability: Percent of full pension proportionate to degree of incapacity, if 33% to 66% disabled.

### Survivor Benefits

**Survivor pension:** 50% of pension of insured, payable to widow of any age. Minimum, 20% of insured's pension. Also payable to dependent widower. Orphans: 25% of pension of insured, or 50% if full orphan, payable for each orphan under age 18 (no limit if student or disabled).

Parents: 20% of pension of insured for each dependent aged parent.

Maximum survivor pensions: 100% of pension of insured.

Minimum: 301,530 rials a month (equal to the minimum wage of unskilled laborers).

Funeral grant: Varies according to municipality.

### Administrative Organization.

Ministry of Hygiene, Health and Medical Education, General supervision.

Social Security Organization, administration of program through provincial branches and local agencies; managed by council and board of directors.

## Sickness and Maternity

First law: 1949.

Current law: 1975.

Type of program: Social insurance system. Cash and medical benefits.

Starting 1990, medical services are provided directly through facilities owned by the Social Security Organization-to be expanded from 20 hospitals and 177 clinics to 72 hospitals and 222 clinics during the second 5-year development plan (1994-98).

### Coverage

Employed persons in urban areas and pensioners. Seasonal workers covered for medical services during working season.

### Source of Funds

**Insured person:** See pension contributions above. (Seasonal workers: 9% of minimum monthly wage.)

**Employer:** Same.

**Government:** Same.

### Qualifying Conditions

**Cash sickness and medical benefits:** Currently employed.

No minimum qualifying period, except 60 days of contribution for prostheses.

**Cash maternity benefits:** 60 days of contribution in year prior to confinement.

### Sickness and Maternity Benefits

**Sickness benefit:** 75% of average earnings in last 3 months for worker with dependents; 66-2/3% for single worker. Benefit reduced to 50% for unmarried insureds if hospitalized in Social Security Organization hospitals. Payable after 3-day waiting period (unless hospitalized) until recovery.

**Maternity benefit:** 66-2/3% of average earnings in last 3 months, payable for up to 4 months before or after confinement.

### Workers' Medical Benefits

**Medical benefits:** Medical services provided directly to patients through medical facilities belonging to the Social Security Organization. Under a separate system, medical services are provided through public and private hospitals and clinics, as well as through university hospitals and contracted-out physicians. Dental grant: 1,500 rials for repair; 120,000 rials for half set of dentures, and 200,000 rials for complete set.

### Dependents' Medical Benefits

**Medical benefits for dependents:** Same as for insured. Coverage for wife and children under age 18 (20 if student or until completion of education, disabled, or unmarried daughter) or disabled dependent husband over age 60, and aged dependent parents.

### Administrative Organization

Social Security Organization, administration of program.

## Work Injury

First law: 1936.  
Current law: 1975.  
Type of program: Social insurance system.

### Coverage

Employed persons in urban areas.

### Source of Funds

**Insured person:** See pension contributions above.  
**Employer:** Same.  
**Government:** Same.

### Qualifying Conditions

**Work-injury benefits:** No minimum qualifying period.

### Temporary Disability Benefits

**Temporary disability benefit:** 75% of average earnings in last 3 months for worker with dependents; 66-2/3 for single worker. Benefit reduced to 50% if hospitalized. Payable from 1st day of incapacity until recovery or certification of permanent disability.

### Permanent Disability Benefits

**Permanent disability pension:** 3.3% of average earnings in last 720 days times number of years of contribution if totally disabled, provided that it should not be less than minimum wage. Minimum pension, 50% of earnings for single worker, 60% for married worker. Maximum, 100% of earnings, not more than wage ceiling.

Partial disability: Percent of full pension proportionate to degree of incapacity, if 33% to 66% disabled.

Minimum pension, 301,530 rials a month; maximum varies according to wage, contribution record, and degree of incapacity. Disability grant: If 10% to 33% disabled, lump sum of 36 times the amount of total disability pension, times the degree of disability.

### Workers' Medical Benefits

**Medical benefits:** Same as for ordinary sickness, but with no qualifying period for appliances.

### Survivor Benefits

**Survivor pension:** 50% of pension of insured, payable to widow. Orphans: 25% of pension of insured, or 50% if full orphan, payable for each orphan under age 18 (20 if student or disabled), unmarried daughter until marriage or unemployment. Parents: 20% of pension of insured for each dependent aged parent. Maximum survivor pensions: 100% of pension of insured. Funeral grant varies according to municipality.

### Administrative Organization

Ministry of Hygiene, Health and Medical Education, general supervision.  
Social Security Organization, administration of program through branch offices and local agencies.

## Unemployment

First law: 1987.  
Current law: 1990.  
Type of program: Social insurance system.

### Coverage

Persons covered under social security law. Exclusions: Self-employed, voluntarily insured persons, retired persons, the totally disabled, those covered under construction workers' insurance.

### Source of Funds

**Insured person:** None.  
**Employer:** 3% of payroll.  
**Government:** Any deficit.

### Qualifying Conditions

**Unemployment benefit:** 6 months of insurance before unemployment occurred. Registered at employment office, capable of and available for work. Unemployment not due to voluntarily leaving, to misconduct, or to refusal of suitable job offer.

### Unemployment Benefits

**Unemployment benefit:** The maximum duration of benefits depends on length of coverage. If the individual has been insured from 6 months to 24 months, unemployment insurance is payable up to 12 months if married, 6 months if single; if insured from 25 to 120 months, unemployment insurance is payable for 18 months if married, 12 months if single. Subsequent unemployment benefits are payable as follows: If insured from 121 months to 180 months, unemployment insurance is payable up to 26 months if married,

18 months if single; 181 to 240 months insurance, 36 months if married and 24 if single; if 241 months and up, up to 50 months if married, 36 months if single.

Current minimum wage, 55% of average earnings, increased by 10% for each of first 4 dependents; maximum wage not to exceed 80% of average earnings. Insured age 55 or older receive unemployment benefit up to retirement age.

#### **Administrative Organization**

Ministry of Labor, general supervision.

### **Family Allowances**

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First law: 1953.

Current law: 1975.

Type of program: Employment-related system.

#### **Coverage**

Employed persons.

#### **Source of Funds**

**Insured person:** None.

**Employer:** Whole cost.

**Government:** None.

#### **Qualifying Conditions**

**Family allowances:** Child must be under age 18 (no limit if student or disabled). Parent must have 720 working days of contribution.

Marriage grant: 720 days of contribution in last 5 years before marriage.

#### **Family Allowance Benefits**

**Family allowances:** 3 times lowest daily wage of unskilled laborers, according to region; payable for each of first 2 children. (Lowest daily wage is based on minimum wage of unskilled laborers, currently 301,530 rials a month.)

Marriage grant: One month's average wage or salary. If both spouses are insured, paid to each separately.

#### **Administrative Organization**

Ministry of Labor, enforcement of law.

Individual employers must pay allowances with wages or salaries.